Questions and Answers concerning the Corner Bay Prospectus

September 2, 2015

Question 1

On pages 2-3, the prospectus explains that applications submitted in response to the prospectus will be subject to cost recovery pursuant to 36 CFR 251.58, with processing fees to be determined pursuant to the procedures for establishing a category 6 processing fee. Further, on page 3, the prospectus explains that: "[T]he selected applicant will be responsible for the costs of preparing and issuing the permit (see Chapter VIII).

The applicant is advised that this process includes analysis of environmental effects in compliance with the National Environmental Policy Act (NEPA). Costs associated with the NEPA process can be significant, and will be included in processing fees determined pursuant to 36 CFR 251.58 above." It would be helpful to better understand the costs associated with submitting an application in response to the prospectus. Could the USFS please provide an estimate of these costs?

<u>Answer</u> – Cost recovery processing fees are based on the cost to review and evaluate the applications and conduct financial reviews. Costs will vary depending on how many applications are received and how complete they are. We anticipate the minimum processing fee will be \$1000. The selected applicant must pay additional cost recovery processing fees for post-selection environmental analysis for outfitting and guiding or new ground disturbing activities and authorization preparation.

Question 2.

Further with regard to NEPA, on page 13, the prospectus states that "Any site disturbing proposals will be only conditionally accepted pending analysis of environmental effects conducted in compliance with National Environmental Policy Act (NEPA) procedures. Costs associated with the NEPA process can be significant, and must generally be borne by the applicant." On page, 17, the prospectus further states that "Most outfitter guide proposals will require NEPA analysis prior to approval."

- (a) Please describe any NEPA (or National Historic Preservation Act section 106) planning, review, or compliance that USFS anticipates will be required in connection with this opportunity.
- (b) To the extent that the USFS anticipates such planning, review, or compliance to be required, please explain how the Service will consider the need to complete these processes in the context of the term of the permit.

<u>Answer-</u> Environmental analysis requires a scoping process that includes the public and Forest Service specialist review of a proposed action. The analysis includes evaluating the direct, indirect, and cumulative effects of the proposed action. Compliance with laws and regulations such as the National

Historic Preservation Act of 1966, Alaska National Interest Lands Conservation Act Section 810 and 811 (subsistence opportunities), Executive Orders directing federal agencies to work with tribal governments, biological evaluations, as well as effects to recreation must be addressed in the analysis. The level of analysis, and how long it may take to complete depend on the nature and complexity of the proposal. For example, a decision to allocate O/G service days could be made by the fall of 2016 for implementation in calendar year 2017.

Question 3.

On page 7, the prospectus states that "The holder will have responsibility for operating and maintaining the water system and for any improvements required for holder's use including permits and approvals. Alaska Department of Fish & Game has conditioned that the pump house must be removed ." Does the USFS intend to require that the permit holder remove the pump house as part of the permit opportunity?

Answer - The Forest Service will not require the permit holder to remove the pump house as part of the permit opportunity.

Question 4

On page 8, the prospectus provides for the permit holder to maintain two existing above-ground fuel tanks. Will the USFS agree to include appropriate language in the permit to make clear that the permit holder does not assume any liability in connection with any pre-existing spills or other conditions associated with the operation and maintenance of the tanks and associated infrastructure prior to the permit holder's use or occupancy of the site?

Answer - No surveys have been conducted for fuel contamination associated with the operation and maintenance of the tanks or associated infrastructure to date. The Forest Service plans to complete site file research and basic field screening at the site this fall.

Question 5.

Please explain any site capacity limits for use of the area, including roads and trail systems, and the percentage of use that could be allocated for use by the selected permittee.

Answer- A capacity analysis for use on the roads and trails accessible from the site has not been completed, but would be needed prior to NEPA analysis to evaluate alternatives to allocate outfitter/guide service days. Outfitter/guide use within ½ mile of the shoreline is allocated according to direction in the 2004 Shoreline Outfitter/Guide Record of Decision and Final Environmental Impact Statement in Use Area 04-12 Tenakee Inlet. Service days remaining in this use area are as follows:

Spring = 47% used, 27 group days available. Estimated service days available*= 162

Summer = 26% used, 101 group days available. Estimated service days available* = 606

Fall = 16% used, 44 group days available. Estimated service days available* = 264

*These service day estimates are based on a group size of six (the assumption made in the 2004 Shoreline EIS). The Forest Plan allows for differing group sizes, depending on the Land Use Designation

Recreation Opportunity Spectrum prescription. Shoreline II Outfitter/Guide EIS, currently being developed, is proposing a range of service day alternatives.

Question 6.

On page 6, the prospectus states that: "From the CBAF approximately 15 miles of road is accessible by ATV's and high clearance vehicles." On page 7, the prospectus states that USFS Roads 7551 and 75511 (1/2 mile) are available for shared use. On page 17, the prospectus states, "Opportunities for outfitter/guide activities exist greater than Y2 mile from mean high tide, such as the Corner Bay road system." Could the USFS please clarify what roads would be available for use for visitor services to be provided by the permit holder, provide a map identifying those roads, and explain any limitations that would be imposed with regard to the use of those roads? In addition, could the USFS please clarify what trails would be available for use for visitor services to be provided by the permit holder, provide a map identifying those trails, and explain any limitations that would be imposed with regard to the use of those trails?

Answer- About 27 miles of road is accessible to ATVs and high clearance vehicles from the facility. Please note this correction was made to the prospectus and noted on the website on August 10. The current Motorized Vehicle Use Map (MVUM) for Sitka Ranger District can be accessed online at http://www.fs.usda.gov/detail/tongass/maps-pubs/?cid=stelprdb5430063 as stated on page 5 of the prospectus. The section of the Sitka MVUM labeled "front" is the section that shows Corner Bay. Additional unmaintained roads closed to motorized use exist adjacent to the open roads shown on the MVUM. There is one hiking trail accessible from Corner Bay. This is the 0.7 mile Kook Lake Trail that accesses the Forest Service cabin on the west end of Kook Lake, however, new hiking and motorized use opportunities may be considered on National Forest System lands. Private land is located at the outlet of Kook Lake and at Basket Bay.

Question 7.

On page 7, the prospectus states: "The Forest Service requires first opportunity at reservations of up to four beds for administrative use. This can be accomplished through an arrangement proposed and approved by both parties. A three year average of use (2010-2012) was 137 nights per year, however, ue in 2013 was under 50 nights and use in 2014 under 25 nights. It is expected to be no more than 100 nights per year any time during the five year period 2016-2020. The anticipated use is the much lower numbers from 2014, 2015. The typical field season is April -November. Forest Service employees and volunteers will require use of bathing facilities and common areas. Meals would be purchased from holder so as to eliminate need for Forest Service staff to use kitchen facilities." On page, 14, the prospectus states that the operator must "[p]rovide lodging and meals to Forest Service employees and volunteers May through September" and [p]rovide access to restroom and laundry facilities to Forest Service employees and volunteers May through September." Can the USFS please confirm that the permit holder would be required to provide the required services for USFS employees and volunteers only from May through September, rather than April through November?

Answer- Required services can be found in section 4.4 a of the Prospectus and read...

- Provide lodging and meals to Forest Service employees and volunteers May through September.
- Provide access to restroom and laundry facilities to Forest Service employees and volunteers May through September

Forest Service field season activities at Corner Bay can run April through November. Forest Service reservations can be accomplished through an arrangement proposed and approved by both parties as stated on page 7 of the prospectus.

Question 8.

The current deadline for applications in response to the prospectus is September 15, 2015. A pre-application meeting currently is scheduled for August 19, 2015. We understand that a site visit will not be scheduled until sometime after that date. This schedule will leave little time after these events for applicants to develop or complete their applications. Moreover, we note that the prospectus was released at a difficult time for us and other existing operators of visitor services in Southeast Alaska, coinciding with the summer high season when operators are focused on providing safe, educational, high quality visitor experiences for their guests. To reduce the strain on limited applicant resources and ensure that applicants have the opportunity to develop and submit well-informed and the best possible applications, would the USFS consider extending the deadline for submittal of applications by sixty (60) days?

Answer- Deadline for submittal of applications has been extended until November 1, 2015. The Forest Service will make every effort to identify a successful applicant by Spring of 2016 so holder can begin operation in calendar year 2017.

Question 9.

What are required services and optional services?

<u>Answer</u> – Required services can be found in section 4.4 a of the Prospectus and read...

- Provide lodging and meals to Forest Service employees and volunteers May through September. Location of the four beds required for Forest Service (FS) employees in the facility is negotiable.
- Provide access to restroom and laundry facilities to F S employees and volunteers May through September
- The permit holder would not be required to provide meals to FS employees if it outside of their operating season, however access for use of the facility for lodging and meals by FS employees may still be needed. Water would not be required to be available at the facility during this off season period.

Question 10.

What is the per diem rate for Government employees at Corner Bay?

<u>Answer</u> – Per diem rate beginning October 1, 2015 is \$59.40 per day less 25% on the first and last day of stay.

Question 11.

How will fees charged to the public be scored when evaluating applications for the prospectus?

Answer – Selection Criteria and how scores will be applied is addressed in section 7.2 or the prospectus.

Question 12.

Will the permittee have priority use of the dock?

<u>Answer</u> – Current policy is that the dock is to be used only for active loading and unloading. Vessels shall not be left unattended. Corner Bay dock is for Forest Service administrative use. Commercial users may use these docks as permitted, but they may not moor boats overnight, leave boats unattended, or obstruct administrative use. Commercial users will anchor so as not to obstruct boat and floatplane access to the Forest Service docks. The first six feet in from the water-most edge of the docks are reserved for floatplane access only and no boat mooring is allowed. Prospectus Section II, page 7, Shared Use, reads "However, the holder would be responsible for providing any additional mooring space for vessels related to their operations". Additional moorage shall not interfere with public access to National Forest lands or facilities.

Question 13.

Will a liquor license be allowed?

<u>Answer</u> – By policy, liquor sales can be authorized. The sale of intoxicating beverages will be allowed by authorization, contingent upon a valid State license for the sale or serving of alcoholic beverages. Question 14.

Is the current septic system aerated?

<u>Answer</u> – The tank is not aerated. Waste water treatment is provided by a 500 gallon/ day septic tank followed by a drain field. The tank was last pumped in about 2010.

Question 15.

Does the Forest Service do the maintenance on the facility or is the holder responsible? Will there be annual meetings? If the holder does maintenance will it offset their fees?

Answer –

- Only proposals which take responsibility for the operation and maintenance of the Corner Bay Administrative Facility, except the garage, will be considered and accepted as applicants. 4.4b on page 14, Operating requirements
- The holder will prepare and submit an operating plan each year.4.5 on page 17, Proposed Operating Plan and section 6.3 on page 20 of the prospectus.

 Maintenance and reconditioning of Government owned improvements may be required and credited as part or all of the total fee. See section 1.5 on page 2. Offset of Granger –Thye Fees

Question 16.

Can additional structures be built for employees?

Answer - Yes. Applicant may propose construction of improvements, if authorized they would be owned by the holder and at the end of the permit the holder would be responsible for removing all holder-owned improvements. (see page 8 of Prospectus).

Question 17.

What other government entities might have a say over a proposal?

<u>Answer</u> – Through NEPA, a proposal would be vetted through required State agencies and public, including the City of Tenakee Springs. The holder will need to work with State of Alaska to obtain written authorization for access across the log transfer facility, see Chapter II, page 8.

Question 18.

Will a field visit be scheduled?

<u>Answer</u> – The site can be visited at any time if entrance to the buildings is not needed. Submit questions generated during a site visit to Annemarie LaPalme, in writing at alapalme@fs.fed.us for placement on the website.

Questions as a result of Site Visits

Question 19

How frequently is the camp used by FS employees?

<u>Answer</u> – The facility currently gets used by FS employees only a few weeks each season with most use occurring Monday through Friday each trip. Additional reference to how often the facility is used can be found in the prospectus on page 7, Shared Use. Figures referenced In this section of the prospectus include nights of use times number of people.

Question 20

Are there any water source and plumbing issues?

<u>Answer</u> – The water intake at the impoundment sometimes fills in with gravel. The plumbing works well if the intake is not blocked. A water system is in place that uses a 5 micron filter and a 1 micron filter which includes a chlorination system. Because of limited overnight stays by FS employees drinking water at the facility is not currently being tested for potability. See page 7, potable water, page 19, section 5.3,10. water, Appendix F-17 sample special use permits.

Question 21

What are the maintenance needs for the generators?

<u>Answer</u> – The fan belts need to be checked and typically need changing once or twice a year. Coolant levels and oil changes also need to be monitored. The generators are really underused by the FS and should be used more.

Question 22

How are the bear viewing opportunities?

<u>Answer – Bear viewing opportunities are available at Corner Creek bridge during the salmon spawn.</u>